

AN ACT

ENTITLED, An Act to revise the time period for computing unemployment insurance employer contribution rates.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 61-5-18 be amended to read as follows:

61-5-18. If an employer has met the requirements of § 61-5-20.2 on the computation date for the year, then the employer's contribution rate shall be the rate appearing in Column "A" on the same line on which the employer's reserve ratio appears in Column "B" of the rate schedule applicable to such year. The computation date for calendar year 2012 and each year thereafter is June thirtieth of the preceding year.

Section 2. That § 61-5-18.17 be amended to read as follows:

61-5-18.17. The employer's reserve ratio for calendar year 2010 and 2011 shall be the result obtained by dividing the balance of credits existing in the employer's experience-rating account by the total taxable payroll of the employer for the preceding three calendar years. The employer's reserve ratio for calendar year 2012 and thereafter is the result obtained by dividing the balance of credits existing in the employer's experience-rating account as of June thirtieth preceding the year for which the rate is to be computed by the total taxable payroll of the employer for the preceding three fiscal years. The employer's experience-rating account balance for 2012 and thereafter for the purpose of this section is the balance on July thirty-first of the year preceding the year for which rates are computed and is the difference between the contributions paid through July thirty-first and the benefits paid through the preceding June thirtieth.

Column "A"	Column "B"
Contribution Rate	Reserve Ratio
9.50%	Less than -6.50%

9.00%	-6.50% and Less than -6.00%
8.50%	-6.00% and Less than -5.50%
8.00%	-5.50% and Less than -5.00%
7.50%	-5.00% and Less than -4.50%
7.00%	-4.50% and Less than -4.00%
6.50%	-4.00% and Less than -3.50%
6.00%	-3.50% and Less than -3.00%
5.50%	-3.00% and Less than -2.50%
5.00%	-2.50% and Less than -2.00%
4.50%	-2.00% and Less than -1.50%
4.00%	-1.50% and Less than -1.00%
3.50%	-1.00% and Less than -0.75%
3.00%	-0.75% and Less than -0.50%
2.50%	-0.50% and Less than -0.25%
2.00%	-0.25% and Less than 0.00%
1.50%	0.00% and Less than 0.50%
1.25%	0.50% and Less than 0.75%
1.00%	0.75% and Less than 1.00%
0.50%	1.00% and Less than 1.25%
0.35%	1.25% and Less than 1.50%
0.20%	1.50% and Less than 2.00%
0.10%	2.00% and Less than 2.50%
0.00%	2.50% and Over

The contribution rates provided in this section apply to and are retroactive to taxable wages paid on and after January 1, 2010.

Section 3. That § 61-5-24.1 be amended to read as follows:

61-5-24.1. Employers required by this title to pay contributions, except employers that pursuant to chapter 61-5A reimburse the unemployment compensation trust fund for benefits paid in lieu of

contributions, shall also pay an employer's investment in South Dakota's future fee, hereinafter "investment fee," on wages as defined by this title. The fee rate for employers not eligible for experience rating, as defined in § 61-5-20.2, shall be seventy hundredths percent through calendar year 2006 and fifty-five hundredths percent on and after January 1, 2007. If an employer is eligible for experience rating, the employer's reserve ratio shall be determined pursuant to § 61-5-18.17 and the employer's investment fee rate shall be the rate appearing in column "A" on the same line on which the employer's reserve ratio appears in column "B" of the following rate schedules.

From January 1, 1993, to December 31, 2006, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.70%	Less than 0.80%
0.60%	0.80% and Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2007, to December 31, 2007, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.60%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%

0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2008, to December 31, 2008, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.58%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

From January 1, 2009, to December 31, 2009, inclusive:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.56%	Less than 1.00%
0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

Beginning January 1, 2010:

Column "A"	Column "B"
Investment Fee Rate	Reserve Ratio
0.55%	Less than 1.00%

0.50%	1.00% and Less than 1.20%
0.40%	1.20% and Less than 1.30%
0.30%	1.30% and Less than 1.40%
0.20%	1.40% and Less than 1.50%
0.10%	1.50% and Less than 1.60%
0.00%	1.60% and Over

The terms and conditions of this title which apply to the payment and collection of contributions also apply to the payment and collection of the investment fee. Proceeds from the investment fee shall be deposited in the clearing account of the unemployment compensation fund for clearance only and may not become part of the fund. After clearance, the money derived from such payments, less refunds made pursuant to the provisions of this title, shall be deposited in the employer's investment in South Dakota's future special revenue fund as provided for in § 61-5-24.2. Investment fee payments may not be credited to the employer's experience rating account and may not be deducted in whole or in part by any employer from the wages of individuals in its employ.

The investment fee rate may not be increased over the applicable 1987 investment fee rate for any employer with a positive balance in the employer's experience rating account on the computation date, as established in rules promulgated by the secretary of labor pursuant to chapter 1-26, for the current year and the year preceding the current year.

The investment rates provided in this section apply to and are retroactive to taxable wages paid on and after January 1, 1993.

An Act to revise the time period for computing unemployment insurance employer contribution rates.

\_\_\_\_\_  
I certify that the attached Act  
originated in the

SENATE as Bill No. 125

\_\_\_\_\_  
Secretary of the Senate  
\_\_\_\_\_

\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 125  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

\_\_\_\_\_  
Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor  
\_\_\_\_\_

The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor  
\_\_\_\_\_

STATE OF SOUTH DAKOTA,  
ss.  
Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State